INFORMATION LETTER

Not for Publication **NATIONAL CANNERS ASSOCIATION** For Members Only

No. 987 Washington, D. C. May 27, 1944

GOVERNMENT SET-ASIDE PERCENTAGES FOR FRUITS AND VEGETABLES FROM 1944 PACKS ANNOUNCED TO DIRECTORS

Amounts Larger than for Last Year; Pricing, Profits, Subsidies, Surpluses Discussed

The set-aside percentages of 1944 pack canned fruits and vegetables, which will be specified in a revised War Food Order 22.6, soon to be issued, were announced at the mid-year meeting of the Association's Board of Directors, by Lee Marshall, Director of Distribution, War Food Administration. The percentages were given in the luncheon address by Mr. Marshall on the first day of the two-day meeting, held at Hotel Shoreham, Washington, Thursday and Friday.

Total government requirements, stated Mr. Marshall, will exceed 50 per cent of the total estimated 1944 pack of canned fruits and for canned vegetables the required set-aside will amount to 71 per cent more than asked for last year.

In terms of cases, government requirements for all canned fruits under the set-aside order (except figs) have increased from 22 million cases (basis 24/2½'s) in 1943 to almost 37 million cases in 1944. Last year nearly 56 million cases (bases 24/2's) of the 15 major canned vegetables covered by WFO 22.6 were set aside for war needs. This year the Government requires over 86 million cases of canned vegetables.

Details of the set-aside requirements will be found in the text of Mr. Marshall's address, which is reproduced on page 8235.

At the opening session on Thursday morning Jean F. Carroll, Director of the Food Price Division, Office of Price Administration, stated that at the meetings of the Spinach and Asparagus Industry Advisory Committees during the week of May 29 announcement would be made concerning both the prices of these products and the pricing regulations which have been the subject of discussion between the Canning Industry Advisory Committees and OPA.

Carl N. Lovegren, Head of the Processed Fruit and Vegetable Section, Food Price Division, presented an exposition of the coverage, methods of analysis, and results of the cost and profit study made by the Office of Price Administration.

Following these addresses the meeting was thrown open to questions from the floor.

At the Thursday luncheon session, besides Mr. Marshall's address, the Directors heard Chester Bowles, Administrator of the Office of Price Administration, who discussed the general effects of price regulation on the wartime economy of the country. Mr. Bowles compared present conditions (with price control) to the situation that existed (without price control) during the last war, pointing out that there was considerably more inflation in 1918, higher prices, and no stabilization of steel, copper and other important items. He stated that living costs were higher during the first world war because of the absence of price control, and said also that there was more prosperity and less economic privation under the price-controlled conditions of today than was the case during the last war.

Before leaving the luncheon session to take up the afternoon's business the Directors heard a few remarks by Strickland Gillilan, the humorist, whose frequent appearances at meetings of the industry are always enjoyed.

Opening the Thursday afternoon session, Lt. Col. Ralph W. Olmstead, Deputy Director for Supply, Office of Food Distribution, War Food Administration, discussed the question of government food supplies and the post-war problem of disposition of surpluses.

The Government, he said, has had to build up, for successful operation of the armed forces and other purposes, an inventory of foods, which is now being kept stable. This inventory is necessary, but it is recognized that when the war ends these reserves will become a surplus, the disposition of which presents a problem to both the Government and the food industries.

WFA realizes that the food has to be eaten and that it must be disposed of in condition for consumption. The

(Concluded on page 8232)

OPA Requests Price Reports

By May 26, less than 1,000 of the 2,500 canners had reported their prices to the Office of Price Administration as required by the OPA order of April 18, it is stated. OPA points out to canners that the prices required by this order must be reported immediately as they will be used in the calculation of the 1944 ceilings.

ADMINISTRATIVE COUNCIL

Considers Budget, Pension Plan, and Appoints Committees on Shipping Problems

At its meeting May 24 the Administrative Council recommended to the Board of Directors adoption of the tentative budget as the final budget for 1944; received a report on the progress toward putting the retirement plan for Association employees into operation; authorized the appointment of two special committees—one to study the problems involved in salvage and re-use of shipping cases through use of "spot sealing" of these containers, the other to collect data on the loss of glass-packed foods due to breakage and other causes; received a report on legislative developments from the Legislative Committee, and considered the report of the Committee on Planning for 1944 Production.

Chairman Albert M. Lester of the Retirement Committee reported that the rules and regulations and the declaration of trust will be ready at an early date for submission to the Pension Trust Division of the Treasury Department for approval.

Following presentation and discussion of the request of the Paperboard Division of the War Production Board that canners be asked to "spot seal" their fiber shipping containers, the Council adopted a resolution authorizing President G. Sherwin Haxton to appoint a special committee to study the subject in cooperation with the Traffic Committee and report upon the most practicable and effective way in which the industry can participate in

WPB's program for the salvage and reuse of fiber shipping cases.

The request of the Paperboard Division stated that the Division does not believe it desirable to use canners' shipping cases over again for the shipment of cans owing to the weak spot produced where the round can touches the straight flat crease. However, it does believe that the cases can be re-used by other industries, such as for packaging bar soap. The biggest obstacle to this program, it is said, is that canners do such an excellent job of sealing the bottom and top flaps that it is almost impossible to open the cases without destroying them. That fact was the basis for the request for "spot sealing."

Discussion of the request brought out that canners are already cooperating in various ways to conserve and salvage fiber shipping containers and that the "spot sealing" program involves a number of problems upon which further information is desirable, among them the possibility of increased damage to shipments and the question of retailer cooperation in salvaging cases.

Chairman Walter L. Graefe of the Legislative Committee reported upon legislative developments and the work of that committee since the February meeting.

The question of loss of glass-packed foods due to breakage, etc. arose from requests that had been received for information as to allowances on such products, and the special committee was named to collect the necessary data for study of the subject.

The afternoon session of the Council was devoted to the presentation and discussion of the report of the Planning Committee, which was submitted by Chairman Howard T. Cumming. The report dealt in detail with the recommendations made in the report presented by the Committee in February and the extent to which these recommendations had been embodied in the government's program and regulations.

During the discussion the Council adopted a resolution affirming and endorsing the opinion and position of the OPA Canning Industry Advisory Committee "that the AMA grades are necessary neither for pricing nor enforcement and that we are, therefore, opposed to the use of them."

Carl Hirzel, Ohio Canner, Dies

Carl Hirzel, Sr., of the Hirzel Canning Company, Toledo, Ohio, passed away May 18 at his home there. The funeral was held May 21. Mr. Hirzel was a director of the Ohio Canners Association.

SET-ASIDE PERCENTAGES ANNOUNCED TO DIRECTORS

(Concluded from page 8231)

problem is to obtain definite information on supplies, the amount and where they are located, and then meet the problem of their disposal without adding to the difficulties of the food industries in getting back to normal operations. This will require centralization of authority over surpluses and their disposition at a time when it will not demoralize prices. In the organization of this program, WFA, or whatever government authority is in charge, will sell back the products to processors if that method is desirable, or will utilize the services of brokers if that method is advantageous. The government agency wants the cooperation of the food industries and plans to utilize their services to the fullest possible extent.

John E. Dodds, Chief of the Processed Marketing Division, Fruit and Vegetable Branch, WFA, outlined the progress made on the program presented at the processors' conference in February, dealing with the subject of government reservations, grower prices, and subsidies and their method of payment. He stated that the proposal to make payments on the basis of the finished product was made because it was believed that this method would expedite and simplify the program from the canner's standpoint, and facilitate its application by the Government to products other than the four major vegetables.

In the discussion of various features of the subsidy plan following Mr. Dodds' address, it was indicated that final decision would await further conferences with the Canning Industry Advisory Committee, which was scheduled for Friday night.

This issue of the INFORMATION LETTER is able to report only the proceedings of the Thursday meetings, since the Friday sessions had not been completed as of press time. The latter will be reported in next week's LETTER.

Death of Henry J. Terens

Funeral services were held May 19 for Henry J. Terens, Secretary and Manager of the Cobb Canning Company, Cobb, Wisconsin, who died on May 17. Mr. Terens, who was a member of the Old Guard Society, entered the canning industry in 1894 and had served with the Cobb Company since 1924.

Shipping Cases for Salmon

The Office of Distribution of the War Food Administration has issued an announcement to salmon canners covering the use of shipping cases.

This announcement, sent out May 20 by M. L. Brenner, Chief, Procurement Branch, becomes Amendment No. 1 to PB-5. Text is as follows:

Your Industry Committee on cases has advised that its findings disclose that canners have practically no inventories of V3c cases on hand and barely sufficient quantities of V3s cases to complete packing the Continental Salmon pack as currently estimated. To avoid the possibility that some canners may be a few cases short and because box manufacturers will be unable to fill any small orders for V3 cases, the Government will accept No. 1 Tall Continental Salmon in V2 cases. It should be understood, however, that the Government prefers V3s cases for this pack and is making this provision as a practical concession to assist canners. Those canners who find it necessary to use V2 cases may insert the case differential in the Offer of Sale Form PB-5, paragraph 1, sub-paragraph (a) or in a supplemental letter.

Paragraph 4 (c), of Offer of Sale Form PB-5, is hereby amended to permit the use of V2 cases as described in Form FSC-1724D, export Packaging Specifications, for the packaging of 48/1 Tall Continental Salmon.

Maine Sardine Pack Tripled

Achieving the most impressive gain in production made by any major U. S. fishery this year, the Maine sardine industry has reported a pack of 12,082,023 pounds during the first third of 1944, or nearly triple the pack of 4,548,771 pounds in the same period last year, the Office of the Coordinator of Fisheries announced May 24.

Because of an anticipated severe shortage of cannery labor, the production of canned sardines in 1944 had previously been estimated at about 49,000,000 pounds, nearly a fourth of which has now been packed.

Officials of the Coordinator's Office said the year's sardine pack should be much larger than the estimated figure provided the people of Maine continue to respond to the appeals that have been made for full and part time workers in the canneries. The summer months, when the catch is at its peak, will be the critical period for the industry.

About 55 per cent of the pack will be available for civilians, the remainder being requisitioned by the Government.

Text of Address by Lee Marshall, Director of Distribution of the War Food Administration

Officers and members of this association have a lion's share of the job of keeping food flowing to front line and home front fighters. The proof is in the record. The wartime record of fruit and vegetable canners is one of which you may feel particularly proud. You may be assured that our armed forces, the American public, and your government are duly grateful and appreciative of your efforts.

For nearly three years the War Food Administration has had the pleasure of working with the food canning industry in an important part of the war food program. Most canners have been cooperative in producing the quantities and the kinds of canned foods that were needed and we feel that our association with you, both as individuals and as a group, has been highly successful and profitable. Some mistakes have been made; temporary inequities have arisen; these are inevitable conditions which result from war emergency. You, too, have recognized this fact, and, working together, a good job has been accomplished. Now, with your continued help and cooperation we want to make 1944 a banner year. To do so we must again obtain an all-out production—and your government will continue to assist in every way possible to attain maximum packs.

Let's look for a moment at the requirements. Nearly 37 million cases of the 12 major canned fruit items, listed under War Food Order 22.6, must be packed this season to meet government requirements. These include the needs of our armed forces overseas, our troops in training here in the United States, and supplies for our allies and other government war emergency needs. This represents an increase of more than 70 per cent over the government's requirements of last year. We believe that they represent the actual needs of the respective war agencies. All claimants have pared their requirements to the barest essentials in order that U. S. civilians might get a reasonable share of the total pack. Yet, despite our efforts to stretch what now appears to be a better than normal deciduous fruit crop, the total government requirements will exceed 50 per cent of the total estimated 1944 pack of canned fruits.

Canned Fruit Requirements

Government requirements for all canned fruits *under the set-aside order*, with the exception of figs, have increased from about 22 million cases (basis, 24/2½'s) in 1943, to almost 37 million cases in 1944. The principal increases are for apricots, red sour pit cherries, fruit cocktail, peaches, and pineapple juice. There are smaller increases for apples, applesauce, berries, pears, and pineapple. To sum it up, out of the estimated *total* pack of the 12 fruit items included under WFO 22.6 and fruits not included under the order, the Government will need nearly 38 million cases. For U. S. civilians it is estimated that slightly more than 36 million cases will be available from the 1944 pack. This is about two-fifths of a pound more canned fruit per person than was available in 1943 and adds up to an estimated 12 pounds per capita in 1944. This compares with the 16 pounds available in 1942 and with the 5-year average (1935-39) of 17.7 pounds. You readily can see, there, why it is imperative that the production of canned fruits be at the highest possible level this year.

Canned Vegetable Requirements

And now let's take a look at canned vegetables. In 1943 nearly 56 million cases (basis, 24/2's) of the 15 major vegetables listed under WFO 22.6 were set aside for war needs. This year the Government requires over 86 million cases, roughly 71 per cent more than asked for last year. In addition, we are asking canners to hold 10 million cases of canned vegetables in reserve for possible changes in war needs. The greatest increases in requirements for canned vegetables are for snap beans, beets, carrots, green peas, sweet corn, tomatoes, and tomato products. Requirements also are up for asparagus, lima beans, pumpkin or squash, and spinach.

Although government requirements for canned vegetables are much higher this year than last, the total canned vegetable supply for civilians (including baked beans, soups, baby foods, and other specialties) will be only 6 per cent less than that in 1943. Civilian supplies of canned vegetables are currently estimated at slightly more than 167 million cases from a total 1944 pack of slightly more than 273 million. In 1943, U. S. civilians received more than 177 million cases from a smaller total pack of 247 million cases. However, of the 15 major vegetables included under the set-aside order, U. S. civilians will receive 104 million cases, compared with 128 million cases in 1943. This means nearly 20 per cent less than last year. On a per capita basis, the estimated civilian supply of canned vegetables from the total 1944 pack will provide about 40 pounds per person. Last year civilians had 42 pounds per capita.

Naturally, the average canner is wondering whether the Government will purchase all the stocks that he has been asked to set aside. Insofar as it is possible for me to recommend or direct a course of action with regard to government purchases, we shall never ask canners to set aside and maintain a reserve of commodities for which no indicated need exists. We will offer to purchase 90 per cent of the canned fruits and vegetables that canners are required to set aside under WFO 22.6 at the prices paid by government procurement agencies. And, the Government will stand back of this offer.

If the set-aside percentages have been lowered since the original order was issued on February 11, the 90 per cent purchase offer applies to the higher percentage. If the set-aside has been increased under the proposed amendment, the 90 per cent purchase offer applies to this higher percentage. In addition the Government plans to purchase the contingency reserves of canned fruits.

Support Price Programs

While we are on the subject of government purchases, I should like to review briefly the terms of the War Food Administration's support price program for vegetables for canning, and for canned vegetables. Under this program, WFA is attempting to protect canners of snap beans, sweet corn, green peas, tomatoes, beets, carrots, lima beans, and spinach, who pay growers the equivalent support prices, from the possibility of inventory losses which might occur from maximum packs of these commodities. This program will assure canners who have been certified by State Agricultural Conservation Committees of receiving at least "stop-loss price" for any items which they have been unable to sell during the normal marketing season. If canners find they cannot market any of the commodities I have just mentioned, WFA will accept these items at levels equivalent to 86½ per cent of gross civilian ceiling prices with appropriate adjustments in relation to area averages and grade differentials. On vegetable items not covered by the support price program, the Government will continue to support the market by offering to take all its specific reserves and by encouraging consumption through educational and promotional campaigns.

A support price program similar to the one for canned vegetables will be announced soon for the following canned fruits: Peaches, pears, fruit cocktail, and fruit mix. A support program for canned apricots is under discussion, also. Unless there are radical changes in requirements and demands caused by the war, there likely will be a continued strong demand for all canned fruits and most canned vegetables throughout the coming year.

The Manpower Situation

Most canners feel, I believe, that a market exists for their good and that they will endeavor to operate at full capacity this season if they can find

sufficient labor. The Nation needs your capacity output in 1944 and the Government is trying to help you obtain the necessary labor. While the labor supply is extremely limited in some areas, we are a bit more optimistic about the present outlook than we were a few months ago. We have reasonable assurances that workers from ages 26 through 29 will be with us throughout the processing season. Workers from 30 to 38 will be with us longer, maybe for the duration. Of course, the changing tides of war may dash our hopes. That's something we don't know now. All we can do is to obtain what labor we can get and utilize it to the best possible advantage.

To help you obtain canning labor, the War Manpower Commission, in cooperation with other government agencies, with your own Association, and other groups, is vigorously recruiting and mobilizing labor for canning plants. The success of this campaign, of course, will depend to a large extent on how well the industry uses promotional media. It will also depend on how well the inexperienced help is trained and utilized.

Much can be accomplished with women workers, older boys and girls, men physically unfit for military service, men above draft age, and even volunteers of all ages and both sexes. Last year people from all walks of life turned out at local canneries. They helped to pack certain commodities that would have been wasted for lack of processing help. An instance of this type of cooperation occurred at Camden, New Jersey, where stenographers, clerks, salespeople, lawyers, teachers, students, railroad men, engineers, and other trade and professional people stepped in during a critical period and helped to can thousands of tons of tomatoes that would have spoiled because of hot weather and a glut in the tomato harvest. It is this kind of cooperation on the part of alert and public spirited citizens in communities throughout the Nation that we hope will keep the canneries running on full schedule. It will keep the production of processed foods at maximum levels.

Supply of Containers

Many canners are wondering whether there will be sufficient tin and glass containers for this year's pack. To allay fears that some canners may have, I want to assure all of you that insofar as we now know there will be adequate supplies of tin for those items listed in WPB Order M-81. However, requests for additional tin, above present allocations, cannot be granted. Rolling mills are running to capacity but, even so, the heavy demands of the armed forces for landing barges and other equipment, using large quantities of rolled steel, have been more than these mills can produce and still meet increased civilian demands for metal containers. Increase in military equipment must come ahead of any increase in steel for containers. Canners, therefore, should not look for additional tin above that allotted under M-81 at the present time.

The supply of glass containers is not much better than that of tin. There will be enough to meet the glass requirements for all items listed under WPB Order L-103b, but any supply above these requirements will depend upon the glass industry's ability to increase production.

At the moment, it appears that there may not be enough shipping containers for the 1944 pack. Paper-carton and wooden-box manufacturers are attempting to meet the heavy requirements for these containers, but the situation grows more critical daily. Canners are urged, however, to place their orders for both cartons and wooden boxes immediately. Manufacturers will then have an opportunity to arrange their schedules and supply them with as many shipping cases as possible. Canners also are urged to reclaim all usable shipping cases and to re-use them wherever possible. This will lighten the demands on new cartons and boxes. Any questions concerning the specifications or types of export cases you will need for shipping canned goods abroad should be directed to your local Army Quartermaster Corps Depot. That office will be glad to advise you on these details. However, if you have questions concerning the supply of export cases or the method of obtaining them, WFA's Office of Materials and Facilities will help you. Or, if you wish, make your inquiries to our Fruit and Vegetable Branch and we'll do our best to get you the information.

Before I leave the container situation, I would like to add that according to reports from most sections there is sufficient cooperage for freezers, packers, and other food processors who use barrels, kegs, and similar types of containers. Where we fall short of tin and glass, we hope to use wooden containers to market in bulk those commodities which can be marketed satisfactorily in this kind of container.

The Subsidy Program

Those of you who have attended the recent Canned Fruit and Canned Vegetable Industry Advisory Committee meetings already know the type of subsidy program the WFA is proposing this year, but briefly it is this: Under this year's subsidy program, WFA plans to pay canners the subsidy on the finished product and not on the raw product as was done in 1943. The subsidy will be based on the difference between the gross maximum ceiling prices and the civilian ceilings, as established by the Office of Price Administration. Since price ceilings have not been determined for the 1944 pack of canned fruits and canned vegetables, we plan to establish an interim program. This will take care of sales from the new pack from March 1, this year, until the new ceiling prices are made effective for the 1944 packs. The subsidy program probably will be confined to the four major canned vegetables—green peas, sweet corn, snap beans, and tomatoes. Currently, we expect to cover green peas, sweet corn, and snap beans as straight items. Whole tomatoes, tomato puree, tomato paste, tomato juice, tomato soup, and the mixed vegetable juices, which contain a substantial quantity of tomato juice, will be considered as tomato products.

Since a major portion of the 1944 pack of canned fruits and canned vegetables has been allocated for war purposes, several questions have been raised. Will the Government continue to procure these commodities in the same manner as last year? What will be done with the government-owned stocks which changing war requirements may leave on the government's hands? The answer to the first question is simply this: The Army will continue to procure all set-aside canned fruits and vegetables, for all government agencies, the same as it did last year.

However, we now have a Procurement Branch which will acquire, through the Army Quartermaster Corps, the supplies for Lend-lease, U. S. territories, and other government agencies. These purchases will be made to meet specific requirements. On the other hand, direct purchases will be made of all commodities under WFA's support price program—whether or not specific government requirements exist for the commodity purchased. These purchases may be made of either the fresh commodity for canning, such as was done for potatoes, and for cabbage for kraut, or they may be of the finished canned product. Stocks acquired by the Government under this type of purchase operation will be used wherever possible for government needs. In some cases, however, they will have to be distributed to public institutions or sold to the trade. All distribution to institutions is on a request basis and with the understanding that the products be on an "over and above basis,"—that is, that they will not be substituted for regular commercial purchases by the institutions.

As all of you know, government agencies, from time to time, have more of one food or another than is needed. This is because of price support operations or changing war requirements. I think it is highly important to release these foods if and whenever it can safely be done. A number of canned items already have been resold to the trade for retail distribution to civilians. Our policy is to review inventories constantly and to release food stocks for civilian uses if they are not needed to meet known requirements. This should help simplify our post-war problems concerning the disposition of government-owned food stocks.

We are exercising the greatest possible care with regard to food procurement in order that we may come out as even as possible at the end of the war.

That entails fitting procurement as close as possible to screened requirements. Keeping inventories in line with needs does not exclude planning ahead to meet future known or possible requirements. We must, therefore, consider it part of our job to develop plans for an orderly, practical, and equitable disposition of the stocks we will have on hand. For one thing, the need for food, at least immediately after the war, will be very acute. For another, we want to avoid the food dumping and the disrupted trade and commerce which occurred after the last war.

Post-War Food Stocks

Because WFA is responsible for the disposition of post-war food stocks owned by government agencies, we have a selfish interest in keeping food stocks as low as practical. It is my view that post-war food stocks should be resold to manufacturers and packers for distribution through regular retail channels. Furthermore, such foods should be offered for resale to manufacturers and packers for distribution through regular retail channels. If the original vendor doesn't want to repurchase these stocks, we will then offer the merchandise to others in the trade. In any event, we will attempt to handle these operations in such a manner that the canner's normal market will not be disrupted.

This is only a brief description of the outlook for canners and some of the activities that are being carried on by WFA to help the canning industry meet the responsibilities thrown upon it by the war. It must be pointed out, though, that any program developed in a time of war must be flexible. Each change in the fortunes of war—and these changes often take place over night—requires some revision of plans. A program during these times is thus a developing and a changing process and the 1944 program outlined here may change if war conditions change. The most that can be done is to anticipate developments as far as possible and to carry out the program that best accomplishes the current job.

Canned fruits and vegetables have "Backed the Attack" on the fighting fronts and in the war industries all over the world. I think we can all be proud of this record. We hope it can be maintained. I congratulate you, and thank you for the excellent support you have given the program this year and solicit the continuation of your wholehearted cooperation.

BASE PERIOD, RESERVATION PERCENTAGES AND 1944 NEEDS OF ITEMS UNDER WFO 22.6, AS AMENDED

Canned product	Average 1942–43 production in millions of cases [1]	1944 Reservation Percentages (Based on average 1942–1943 production)			1944 Needs			
		Specific percentages	Contingency percentages	Total reservation percentages	Government requirements Based on per cent of pack 1944	Government requirements Million cases	Civilian supplies Based on per cent of pack 1944	Civilian supplies Million cases
Apples	2.9	59	6*	65	50.0	1.9	50.0	1.9
Applesauce	2.8	20	3*	23	16.2	.6	83.8	3.1
Apricots	2.5	90	10*	100	52.1	2.5	47.9	2.3
Berries [2]	.6	68	7*	75	60.0	0.3	40.0	0.2
Blueberries	.3	68	7*	75	66.7	0.4	33.3	0.2
Cherries R. S. P.	1.7	90	10*	100	68.0	1.7	32.0	0.8
Figs, Kadota	.8	38	4*	42	33.3	.3	63.7	0.6
Fruit cocktail	5.6	68	7*	75	60.0	4.2	40.0	2.8
Peaches	12.9	67	7*	74	64.0	9.6	36.0	5.4
Pears	5.3	71	7*	78	68.3	4.1	31.7	1.9
Pineapple	9.6	54	6*	60	49.2	5.8	50.8	6.0
Pineapple juice	6.5	57	7*	64	56.0	4.2	44.0	3.3
Asparagus	4.0	43	4	47	39.0	1.7	61.0	2.7
Beans, lima	2.2	56	6	62	40.0	1.3	60.0	1.7
Beans, snap	24.0	47	5	52	49.0	11.3	51.0	11.7
Beets	7.0	49	5	54	45.0	3.4	55.0	4.1
Carrots	2.6	145	5	150	54.0	3.8	46.0	3.2
Corn, sweet	30.4	25	3	28	25.0	7.5	75.0	22.5
Peas	36.1	36	4	40	39.0	12.9	61.0	20.1
Pumpkin	2.2	17	2	19	16.0	.4	84.0	2.1
Sauerkraut	6.5 [4]	36	0	36	100.0	2.4	bulk [5]	bulk [5]
Spinach	8.5	48	5	53	41.0	4.1	59.0	5.9
Tomatoes	36.4	43	4	47	52.0	15.7	48.0	14.3
Tomato catsup	8.7	48	5	53	42.0	4.2	58.0	5.8
Tomato juice	24.2	60	6	66	52.0	14.6	48.0	13.4
Tomato puree	6.7	27	3	30	30.0	1.8	70.0	4.2
Tomato paste	4.1	26	3	29	24.0	1.1	76.0	3.4
Totals	255.1	.....	.....	.....	.....	121.8	.....	143.6

[1] Pack figures used in calculating set aside percentages under proposed amendment to WFO 22.6. Cases based on 24 No. 2 1/2 cans for fruits and 24 No. 2 for vegetables.
[2] Blackberries, boysenberries, loganberries, youngberries and all other berries, except blueberries.
[3] Although canned sauerkraut is authorized for military purposes, supplies of bulk kraut will be available for civilians.
[4] Includes 1941–1942 (September 1, 1941–August 31, 1942) production used as base period for sauerkraut.
* Indicates that the Government intends to purchase all of contingency reserve in addition to the specific reserve.

Kraut Products Committee

Members of the Kraut Products Industry Advisory Committee named by the Office of Price Administration to consider problems in connection with pricing of 1944 pack of sauerkraut and sauerkraut juice are:

David J. Flanagan, Flanagan Brothers, Inc., Bear Creek, Wis.

Martin Meeter, Meeter's, Inc., Union Grove, Wis.

Ernest D. Naylor, Castle Co., Inc., Lyons, N. Y.

Edward Guggenheimer, Bloch & Guggenheimer, Inc., Long Island City, N. Y.

Alden C. Smith, Shiocton Kraut Co., Shiocton, Wis.

John M. Stroup, Empire State Pickling Co., Phelps, N. Y.

A. E. Siessman, The Fremont Kraut Co., Fremont, Ohio.

Christ Sievers, Christ Sievers, Inc., Chicago, Ill.

Greater Wooden Box Demand

Wooden box demand for this year's perishable food crop is expected to be ten per cent higher than that of last year, members were told at a recent meeting of the Nailed Wooden Box Industry Advisory Committee where general wartime problems of nailed wooden box industry were discussed with the War Production Board.

CEILINGS ESTABLISHED FOR CALIFORNIA-ARIZONA CITRUS

Cover Orange Juices, Blended Orange and Grapefruit Juice

Processors' maximum prices for the 1944 pack of California and Arizona orange juice and blended orange and grapefruit juice were announced May 24 by the Office of Price Administration, in issuing Amendment No. 2 to Maximum Price Regulation No. 509, effective May 29.

All of the 1943 pack of orange and blended juice was purchased by government procurement agencies. About half of this year's production, however, will be available for civilian consumption. The new ceilings include prices both for civilian sales and for sales to the Government.

Florida and Texas orange and blended juices and the 1944 pack of canned grapefruit juice and grapefruit segments were priced at the processor level on February 4, 1944. Issuance of Amendment No. 2 which completes processor ceilings for the 1944 citrus pack, was delayed because of a later packing season in California and Arizona.

Determined in the same manner as other packed citrus prices, the new ceilings are based upon a price of $65 per ton of California and Arizona oranges, f.o.b. packing plant. These prices were recommended by the War Food Administration and approved by the Office of Economic Stabilization.

Maximums for No. 2 cans of orange juice, f.o.b. factory, per dozen cans, are: For natural (unsweetened), fancy grade, $2; standard grade, $1.95; offgrade or sub-standard, $1.90. For sweetened orange juice, fancy, $2.025; standard, $1.975; offgrade, $1.925.

Processor prices for civilian sales of No. 2 cans of packed orange-grapefruit juice (50 per cent orange, 50 per cent grapefruit) are: For natural (unsweetened), fancy, $1.755; standard, $1.705; offgrade, $1.655. For sweetened blended juice, fancy, $1.78; standard, $1.73; offgrade, $1.65.

Ceilings for sales of both kinds of juice to the government are lower than civilian prices by five cents per dozen No. 2 cans. This difference, covering savings involved in making sales to the government, is the same as that provided for in last year's prices for grapefruit juice.

Prices are also set for civilian and government sales of No. 3 cylinder cans and No. 10 cans.

OPA also provided that processors of packed citrus products may sell to other processors at the government ceiling when the purchases are being made in order to meet set-aside requirements of War Food Order No. 22. This provision will facilitate purchases by processors who need to buy packed citrus to meet their set-aside obligations.

A clarification of the provision for pricing new container sizes or types makes it plain that this provision is to be used in figuring a maximum price only for container types or sizes which have not been provided with ceiling prices in the regulation. Further, the amendment specifies that when a new size or type container is priced under this provision, that container may not be used as the "base container" in figuring ceilings for other types or sizes. Text of Amendment No. 2 to MPR 509 follows:

Maximum Price Regulation No. 509 is amended in the following respects:

1. In the table in section 2.3(a) item 2 is added to read as follows:

Col. 1	Col. 2	Col. 3	Col. 4	Col. 5		Col. 6		Col. 7	
				Container No. 2 can		Container No. 3 cyl. can		Container No. 10 can	
Item	State or area	Style of pack	Grade	Gov't sales	Other sales	Gov't sales	Other sales	Gov't sales	Other sales
2	California and Arizona.	Natural (unsweetened)	A or fancy	$1.95	$2.00	$4.75	$4.85	$9.60	$9.75
			C or standard	1.90	1.95	4.65	4.75	9.40	9.55
			Offgrade or substandard.	1.85	1.90	4.55	4.65	9.20	9.35
		Sweetened	A or fancy	1.975	2.025	4.80	4.90	9.75	9.90
			C or standard	1.925	1.975	4.70	4.80	9.55	9.70
			Offgrade or substandard.	1.875	1.925	4.60	4.70	9.35	9.50

2. In the table in section 2.4 (a) item 2 is added to read as follows:

Col. 1	Col. 2	Col. 3	Col. 4	Col. 5		Col. 6		Col. 7	
				Container No. 2 can		Container No. 3 cyl. can		Container No. 10 can	
Item	State or area	Style of pack	Grade	Gov't sales	Other sales	Gov't sales	Other sales	Gov't sales	Other sales
2	California and Arizona.	Natural (unsweetened)	A or fancy	$1.705	$1.755	$4.085	$4.185	$8.28	$8.43
			C or standard	1.655	1.705	3.985	4.085	8.08	8.25
			Offgrade or substandard.	1.605	1.655	3.885	3.985	7.88	8.03
		Sweetened	A or fancy	1.730	1.78	4.135	4.235	8.43	8.58
			C or standard	1.680	1.73	4.035	4.135	8.23	8.38
			Offgrade or substandard.	1.630	1.68	3.935	4.035	8.03	8.18

3. The first two paragraphs of section 3.0, up to but not including the note, are amended to read as follows:

Section 3.0 *Maximum prices for products in new container types or sizes.* The maximum price per unit for any item which is packed in a new container type or size for which no maximum price is otherwise provided shall be figured under the following pricing method.

"New container type or size" means a container type or size for which no maximum price is named.

For each such item, the processor shall:

(a) *Determine the base container.* If the processor sold the same product (that is, the same kind, variety, grade, brand and style of pack) prior to the effective date of this regulation, but only in other container types or sizes, he shall first determine the most similar container type for which he is able to figure a maximum price for that product under this regulation without using the pricing method of this section (even though he no longer sells that container type). From that container type he shall choose the nearest size which is 50 per cent or less larger than the new size, or if there is no such size, 50 per cent or less smaller (even though he no longer sells those sizes). This will be the base container. If there is no such smaller size, he shall go to the next most similar container type and proceed in the same manner to determine the base container.

Section 2.5 is added to read as follows:

Section 2.5 *Sales between processors for purpose of fulfilling government set-aside requirements of War Food Order 22.* The processors' maximum price per dozen containers, f.o.b. factory, for any item of packed citrus products of the 1944 and later packs, in sales to another processor of those products, which are to be used by the purchaser in making sales to government procurement agencies under the set-aside requirements of War Food Order 22 shall be the maximum price set forth in sections 2.1, 2.2, 2.3 and 2.4 for sales of the item to government procurement agencies.

This amendment shall become effective May 29, 1944.

Frozen Fruit and Vegetable Stocks Held in Cold Storage

Stocks of frozen fruits in storage on May 1, 1944, totaled 130,855,000 pounds against 161,643,000 on April 1, 1944, and 98,967,000 on May 1, 1943, according to the Food Distribution Administration. Frozen vegetable stocks on May 1, 1944, were 105,417,000 pounds against 130,315,000 on April 1 this year and 62,076,000 on May 1, 1943. The following table furnishes details by commodities:

	May 1, 1943	Apr. 1, 1944	May 1, 1944
	1,000-lbs.	*1,000-lbs.*	*1,000-lbs.*
FRUITS			
Blackberries	3,587	4,961	3,788
Blueberries	5,333	11,102	9,561
Cherries	12,363	11,368	8,900
Logan and similar berries	2,022	2,914	2,315
Raspberries	8,884	11,559	9,017
Strawberries	15,446	13,980	11,477
Other fruits	35,495	83,075	64,341
Classification not reported	15,837	22,684	21,456
Total	98,967	161,643	130,855
VEGETABLES			
Asparagus	3,926	3,157	2,639
Beans, lima	8,838	6,954	4,800
Beans, snap	2,306	10,631	8,344
Broccoli, green	1,113	3,342	3,149
Corn, sweet	3,123	10,521	8,060
Peas, green	16,025	28,051	20,970
Spinach	6,539	9,746	8,576
Other vegetables	10,506	26,000	23,435
Classification not reported	9,698	31,913	25,444
Total	62,076	130,315	105,417

Farm Employment is Lower

There were 10,068,000 people working on farms the first of May, according to an estimate recently issued by the Department of Agriculture. This is a decline of 4 per cent from May 1, 1943, and of about 9 per cent from the 5-year (1938-42) average for May 1. Although the number of unpaid family workers decreased only about 2 per cent from last May, hired farm employment was down 13 per cent.

Abnormally wet weather over most of the country the last of April accounted for some of the decrease in employment from a year ago, especially in the number of hired hands. The general scarcity of help also contributed.

Eighty per cent of the farm work force May 1 was composed of farm operators and other unpaid family workers. In May, 1940, 77 per cent of the workers were either farm operators or members of their families doing farm work without receiving wages.

Frozen Foods Advisory Committee

At a recent meeting in Washington the Frozen Fruits and Vegetables Packers Industry Advisory Committee elected as its chairman Ralph O. Dulany, of John H. Dulany & Son, Fruitland, Md. Other members of the committee are:

F. J. Becker, Gresham Berry Growers, Gresham, Ore.

Marion T. Fannaly, M. T. Fannaly, Inc., Ponchatoula, La.

Edwin T. Gibson, Frosted Foods Sales Corp., New York City.

R. M. Hagen, California Consumers Corp., Los Angeles, Calif.

F. E. Huddleson, Santa Cruz Packing Co., Oakland, Calif.

A. J. Rogers, Cherry Growers, Inc., Traverse City, Mich.

C. C. Seabrook, Deerfield Packing Corp., Bridgeton, N. J.

J. M. Seaman, Bozeman Canning Co., Mt. Vernon, Wash.

Clyde Farquhar, Kelly-Farquhar Co., Tacoma, Wash.

T. R. Skinner, Westfield Planters Cooperative Fruit Products, Inc., Westfield, N. Y.

Amendment Regulates Reports on Rationed Processed Foods

Amendment 84 to Ration Order 13 issued May 22 by the Office of Price Administration, sets forth reporting requirements for processors who do not have rationed foods on hand, or did not produce them during their last reporting period. It likewise contains a provision affecting industrial users. Text of the amendment follows:

Revised Ration Order 13 is amended in the following respects:

1. Section 3.2 (b) is amended by adding the following at the end of the paragraph:

A processor who has reported on OPA Form R-1305 that he does not have processed foods on hand and that none were produced, acquired, sold, or transferred during his last reporting period, need not file a report for any subsequent period in which he does not operate. However, he must show on his last report on OPA Form R-1305 the month in which he will resume his operations and he must again file reports beginning with the month in which he resumes his operations.

2. Section 6.1 (b) is amended by adding the following at the end:

An industrial user who ceases to make an industrial use of processed foods (other than temporarily) is not regarded as an industrial user after he ceases.

This amendment became effective May 26, 1944.

June 1 Filing Deadline for Renegotiation Reports

Laird Bell, vice-chairman of the War Contracts Price Adjustment Board, reminded war contractors and subcontractors May 23 that they must file on or before June 1, standard forms of reports required by the Renegotiation Act of 1943. Failure to comply with this mandatory provision of the act subjects contractors to a fine of $10,000 or two years in jail. The act does not give the War Contracts Board any authority to grant extensions of time for filing these reports.

Agencies to which the act applies are the War, Navy and Treasury Departments, the Maritime Commission, the War Shipping Administration and four subsidiaries of the Reconstruction Finance Corporation, Defense Supplies Corporation, Defense Plant Corporation, Metals Reserve Company and Rubber Reserve Company.

The standard forms, made available last month, must be filed on or before June 1, in the case of contractors whose latest fiscal years closed prior to March 1, 1944, and on or before the first day of the fourth month following the close of the fiscal years of contractors whose fiscal years close on or after that date, as explained in past issues of the INFORMATION LETTER.

Contractors and subcontractors may obtain copies of the appropriate forms from any of the renegotiation agencies, from the Assignments and Statistics Branch, Renegotiation Division, Room 3 D 573, The Pentagon, Washington 25, D. C., which will distribute them on behalf of the War Contracts Price Adjustment Board, or from the Superintendent of Documents. Reports may be filed with the War Contracts Price Adjustment Board or through the price adjustment boards of the governmental agencies to which the act applies.

Pallets Exempt from Regulations

Cut-to-size pallet or reel stock were excluded May 23 from coverage of the industrial wooden box regulation by the Office of Price Administration, through the issuance of Amendment No. 4 to Revised Maximum Price Regulation No. 195, effective May 27.

OPA explained that these items are in reality lumber items rather than mill items. They have been held by interpretation subject to the appropriate lumber regulations.

PROCESSING GREEN PEAS

USDA Issues Report on 1944 Preliminary Acreage with Comparisons

An estimated 482,150 acres planted to green peas for processing in 1944 is only slightly less than the revised estimate of 483,260 acres planted in 1943 and is 45 per cent above the average of 333,600 acres for the preceding 10-year (1933-42) period. This preliminary estimate includes plantings for canning, freezing and other processing.

Most of the reduction in acreage for this year is in Delaware, Maryland and Virginia. In this area the reduction from the 1943 plantings is nearly 20 per cent.

Ohio, Indiana, Illinois, Michigan, Wisconsin, Minnesota and Iowa constitute a group of States showing about 6 per cent less acreage planted for 1944 than was planted in 1943. This season's acreage reductions were fairly evenly distributed between individual States except in the case of Indiana and Michigan—Indiana's acreage is 28 per cent less than the 1943 plantings but in Michigan preliminary estimates show 44 per cent more acreage for 1944. Rains seriously curtailed plantings in Michigan in 1943.

In the western States, including Colorado, Utah, Washington, Oregon and California, the preliminary estimates indicate 3 per cent more acreage for 1944, mostly on account of the increase of 10 per cent in Washington and 13 per cent in California.

Growers and processors of green peas in New York State have contracted or planted 74 per cent more acreage for this year than they finally planted in 1943—a year when untimely rains held plantings at record-low levels. Slight increases are shown for Maine and Pennsylvania.

Of the 482,150 acres planted or contracted for 1944, it is estimated that 303,330 acres or 163 per cent consist of sweet, wrinkled varieties and 178,820 acres or 37 per cent are of the Alaska type. Last year, 281,110 acres or 58 per cent consisted of sweet, wrinkled varieties and 42 per cent or 202,150 acres were of the Alaska type.

The following tabulation shows the estimated acreage of green peas planted in the United States for freezing purposes in recent years:

1938	25,360 acres
1939	28,900 acres
1940	35,100 acres
1941	33,830 acres
1942	44,800 acres
1943*	45,900 acres

*Revised.

The following table presents USDA's report of peas for processing, showing by States the 1943 acreage, preliminary acreage for 1944, and its percentage as of 1943.

State	Planted Acreage 1943	Planted Acreage 1944 Preliminary	As of 1943
	Acres	*Acres*	*Per cent*
Maine	5,670	5,700	101
New York	25,800	44,900	174
Pennsylvania	*18,000	18,200	101
Ohio	*7,700	7,600	99
Indiana	14,800	10,700	72
Illinois	21,400	20,800	97
Michigan	*10,000	14,400	144
Wisconsin	166,000	153,000	92
Minnesota	47,100	43,700	93
Iowa	4,200	3,950	94
Delaware	3,900	3,500	90
Maryland	15,900	12,800	81
Virginia	4,400	3,200	73
Colorado	*5,500	5,200	95
Utah	16,500	15,800	96
Washington	46,000	50,600	110
Oregon	*49,000	48,500	99
California	4,280	4,850	113
Other States	17,110	14,750	86
Total	483,260	482,150	99.8

*Revised.

ASPARAGUS CONDITIONS

USDA Issues Progress Report Covering Situation as of May 15

In its report of the truck crop situation as of May 15, the Bureau of Agricultural Economics states that California asparagus has been cut mainly for the canneries in the Delta area, and in other sections, and that harvest has been terminated on some of the fields. Asparagus plantings needed warm weather for full daily production for the canners.

Cutting of Oregon asparagus continued to lag during the first half of May as warmer weather failed to materialize. Yields may be somewhat below normal.

Cool nights and warm days have been favorable for growth in Delaware and Maryland, although some rain is needed to develop the later stalks. Marketing is expected to continue in volume until the first week in June. Most of Delaware's asparagus and a larger than usual amount of Maryland's asparagus has gone to canners.

Harvesting in New Jersey has progressed rapidly in all commercial areas, and the volume moved to both the fresh market and processing plants has been well ahead of the movement to the same date last season. Reported yields averaged somewhat heavier than last season, and quality showed a marked improvement after the advent of warmer weather.

The high temperatures of early May brought the New York crop on very rapidly and rains at the end of the warm weather were also beneficial to the crop.

Harvest in Michigan started during the second week in May. Production was light during the first half of the month, but heavier production was expected after May 15. Most of the crop was purchased by canners, as usual. Production and quality should be above average, if weather is seasonable for the next six weeks.

Asparagus cuttings in central and northern Illinois were very light until May 10 or 12. Temperatures after May 10 averaged as much as 15 degrees above normal. With favorable weather, good yields were expected, although the late start in cutting was expected to lower total production. Quality was reported as being above average.

Ney Made Assistant Deputy Administrator for Rationing

Jerome M. Ney, a business man with 20 years' experience in the department store field and the shoe industry, was appointed Acting Assistant Deputy Administrator for OPA Rationing, effective May 22. Mr. Ney succeeds James E. Kelley whose resignation was announced by the Office of Price Administration on May 21.

The new appointment was made by Charles F. Phillips, Deputy Administrator for Rationing, who will administer the broad overall rationing program. A big part of his job will consist of coordinating activities in the national office with OPA's 5600 offices throughout the country; and with supply agencies such as the War Production Board, Petroleum Administration for War, War Food Administration, Office of Rubber Director, Office of Defense Transportation and Office of Civilian Requirements.

Mr. Ney will be OPA's operating head for rationing in the Washington headquarters office. He has been with OPA since July, 1942, when he joined the Atlanta Regional Office as regional representative of the Miscellaneous Products Rationing Division. In November, 1942, he came to Washington to become associate chief of the division's Program Planning Branch, and to assist in developing the shoe rationing program. Later he became chief of the Program Planning Branch and directed all planning activities of the division. In February of this year Mr. Ney was named acting director of the division which he now heads.

Voluntary Adjustment of Tinplate Quotas Requested

Because third-quarter allocation of tinplate for cans is less than the tonnage requested by the can industry, the Can Manufacturers Industry Advisory Committee was recently consulted as to appropriate methods of dealing with that condition, the War Production Board said May 22.

In view of the industry's pledge of voluntary cooperation, and belief in the success of voluntary adjustment during the short time it will be necessary, WPB does not contemplate special regulatory action at this time, it was stated.

A proposed directive to Can Conservation Order M-81, which contemplated the prohibition of can making for specified non-seasonal items during the peak period of demand for seasonal food cans, was presented for the consideration of the industry committee. Industry representatives said that voluntary adjustment, on the part of can manufacturers, would be as effective as formal WPB action. It was therefore decided that the proposed directive would not be issued, WPB said.

Can manufacturers asked for 800,000 tons of tinplate during the third quarter, peak period for seasonal food canning. Because of extreme military demand for sheet metal capacity, WPB allocation for cans was established as 634,000 tons for the third quarter.

Industry Committee members said they thought essential can production, as established by Order M-81, could be met without an M-81 amendment or directive regulating this temporary situation. The pack of seasonal fruits and vegetables, expected to be the largest in history, is expected to be supplied on time with the requisite number of cans, they said. They recognized, however, that there may be occasional delays in the delivery of cans for non-seasonal products during the weeks when seasonal food demand is greatest.

Louisiana-Mississippi Officers

Officers of the Louisiana-Mississippi Vegetable Canners Association elected for 1944 are the following:

President: A. P. Dorgan, Jr., Dorgan Packing Corp., Biloxi, Miss.

Vice Presidents: A. G. Brush, Mayhaw Canning Co., Laurel, Miss.; G. V. Ketteringham, Ketteringham Canning Co., Ville Platte, La.

Secretary and treasurer: Julian McPhillips, Southern Shell Fish Co., New Orleans, La.

TO GRANT HIGH LABOR PRIORITY TO FOOD PROCESSORS

WMC Chairman McNutt Advises Regional Officials Regarding Urgency of Food Quotas

Food processing plants and can manufacturers with difficult recruitment problems are to be given high labor priorities, Paul V. McNutt, chairman of the War Manpower Commission, advised all WMC regions May 23.

According to Mr. McNutt, some regions already have decided to accord priorities to these industries. The decision is being left to the regions, but WMC is urging that a similar program be followed in all areas where a manpower shortage in the industries is threatened. In areas having production urgency and manpower priority committees, the relative urgency and priority of food processing and can manufacturing will be determined by these committees.

Mr. McNutt listed certain States where the demand is seasonal and which require intensive recruitment efforts. These are Wisconsin and Minnesota for peas; Indiana, New Jersey and Maryland for tomatoes, and Illinois for sweet corn. There will, doubtless, be other areas where the maturing of crops for food processing will require the recruitment of a large number of workers, according to Mr. McNutt.

"In these States," he said, "we know we can expect heavy demands for seasonal labor in processing plants.

"There will be periods, of varying length, when the food processing and can manufacturing industries will present the local USES offices with labor orders entailing great urgency of recruitment. The necessity of filling such orders is obvious if our food preservation quotas are to be met."

Prohibition of Farm Wage Stabilization Expenditures Modified

The Senate, in passing the 1945 Agricultural Appropriation Bill on May 17 with various amendments, amended the House prohibition of appropriations for the farm wage stabilization program to continue the program in a restricted manner. The House had refused to make any appropriations for this program which is directed by the Office of Labor of WFA. (See INFORMATION LETTER No. 978, March 25, page 8142.)

The Senate amendment provides that none of the appropriations for WFA shall be used for farm wage stabilization for any commodity "unless a substantial number of the producers of such commodity within the area affected" requests the "intervention" of WFA. The effect of the amendment would be to place upon farm employers the burden of asking for farm wage stabilization before the Office of Labor could act. Apparently, present farm wage stabilization orders will have no further validity, if this amendment is adopted, without a request by the farm producers for continuance of the present orders.

The bill has now gone to conference where the disagreement between the House and Senate on the farm wage program will be resolved.

Refrigeration Repair Parts

The Refrigeration and Air Conditioning Section of the General Industrial Equipment Division of the War Production Board has informed manufacturers and trade associations of the refrigeration industry that WPB is prepared to up-rate to AA-1 orders for certain repair parts used by the industry.

This move has been taken to help solve difficulties that have developed in manufacture, delivery and installation of repair parts, WPB said. At present, the agency added, the repair parts covered are in short supply.

The telegram which the Refrigeration and Air Conditioning Section sent to the industry, telling of this action, follows:

"Please issue bulletin to your members, dealers and distributors informing them that wholesale and retail trades division is prepared to uprate to AA-1 repair parts for commercial and industrial refrigeration and air conditioning equipment, orders for which have been placed before February 15 and are as yet undelivered. The program covers the following items: controls (pressure and thermostatic) capacitors and/or starting condensers for motors, control bellows, solenoid valves, liquid line strainers, refrigerant dehydrators, thermostatic and automatic expansion valves, compressor bodies, compressor repair parts, including but not limited to pistons, rings, flapper and disc valves, crank shafts, seals, piston pins, high and low side float valves. Program is limited to the items enumerated. Have PD 547 filed or refiled for uprating."

OPA SUSPENSION ORDERS

Upheld by Supreme Court for Ration Order Violations

Office of Price Administration power to enforce ration orders by suspending persons from dealing in rationed commodities when they violate ration orders was sustained by the United States Supreme Court in the case of *L. P. Steuart & Bro., Inc.* v. *Chester Bowles*, decided on May 22. OPA had suspended the Steuart firm, a fuel oil retailer, from dealing in fuel oil because it was found to have violated ration regulations.

The Court declared that the only issue in the case was whether the power of the President granted by the Second War Powers Act to allocate scarce materials for national defense purposes includes the power to issue suspension orders against retailers and to withhold rationed materials from them when it is established that the rationed materials have been acquired and distributed in violation of ration regulations. The President's allocation powers have been delegated to OPA and in this particular case were exercised in issuing ration orders for rationing of fuel oil.

The company in this case was found, after administrative hearing before OPA officials, to have violated the fuel oil ration orders. The company appealed on the grounds that the suspension order was a penalty which was not authorized by statute, since the order was being used as a punishment for a violation when the basic statute did not make any reference to such suspension orders.

The Court, in an opinion written by Mr. Justice Douglas, held that the suspension order was not used as a punishment or penalty but was merely used as a method for allocation of materials and, therefore, was a proper exercise of the allocation powers delegated by the President to OPA. The Court declared that the statute authorizes allocation of scarce materials to the most efficient manufacturer and the diversion of scarce materials from wasteful manufacturers. Similarly, the power to allocate scarce materials includes the power to see that the distribution of the scarce materials is handled by efficient organizations. The Court said that the OPA findings of violations of the ration order, which were not challenged, were relevant to the question whether the company was an efficient or a wasteful distributor of fuel oil.

The Court's opinion indicates that possibly some other decision might have been reached if the fuel oil company had made any attempt, and had been able, to show that the issuance of the suspension order was based on "considerations not relevant to the problem of allocation."

Pack Statistics on Canadian Canned Fruits, Vegetables

The May issue of *Canadian Food Packer* presents pack statistics covering Canadian fruit and vegetable products.

The following table gives figures on Canadian canned vegetables showing a comparison of 1942 packs with a preliminary estimate for 1943:

	1942	Preliminary 1943
	Cases	*Cases*
Asparagus	174,181	126,491
Beans, green and wax	925,542	771,464
Beans (baked, etc., including lima beans)	1,343,727	222,050
Beets	16,004	30,727
Carrots	12,020	52,587
Carrots and peas	72,517	43,452
Carrots, peas and beans	59,962	22,795
Corn	1,786,540	1,160,445
Corn on cob	25,436	.....
Mushrooms	22,156	.....
Peas	3,681,278	1,854,634
Pumpkin	213,351	260,439
Spinach	68,718	33,508
Tomatoes	2,299,117	1,444,311
Tomato juice	2,014,508	1,979,497

Following is the table covering comparison of 1942 fruit packs with the 1943 preliminary pack:

Apples (including crab apples)	55,890	159,324
Apricots	63,754	25,582
Blueberries	22,371	123,440
Cherries	108,329	50,548
Loganberries	8,533	2,767
Peaches	799,881	153,517
Pears	466,000	387,874
Plums	136,411	148,595
Raspberries	37,934	15,407
Rhubarb	1,720	15,200
Strawberries	30,091	8,477

Mackerel Offers Invited

The Office of Distribution, War Food Administration, announced May 20 that it will receive offers for the sale of canned Pacific mackerel and canned Pacific horse mackerel.

Purchases will be made by negotiated contracts executed in the name of the Commodity Credit Corporation.

Offers may be submitted at any time prior to December 1, 1944, to the Procurement Branch, Office of Distribution, War Food Administration, Washington 25, D. C., in an original and four (4) completely executed copies on Form PBP 89.

First Quarter Fish Production Decreased 10 Million Pounds

Production in 12 major U. S. fisheries in the first quarter of 1944 was 10,000,000 pounds less than in the comparable quarter of 1943, according to reports to Coordinator of Fisheries Harold L. Ickes.

Production in this group of 12 for the quarter amounted to 265,235,000 pounds compared with 275,456,000 in 1943, and 243,500,000 in 1942. Chief reason for the reduction was given as the shortage of skilled manpower, although a considerable loss of production was occasioned by lay offs of fishermen during most of January in Boston, New Bedford, and New York, and similar layoffs in the shrimp fishery centering at Biloxi, Miss.

Although the California tuna fishery is the only one to show an important gain—14,671,635 pounds compared with 8,372,837 last year—the first months of the year normally account for only 11 per cent of the year's production so that the figures for the first quarter do not necessarily indicate the trend of the fisheries for the year, officials of the Coordinator's Office said. All of the most important fisheries, such as salmon, pilchard or California sardine, menhaden, tuna, and shrimp have their peaks of production later in the year.

Landings of Pacific mackerel held up well the first two months of the year, but due to poor fishing in March the quarterly total is 7,764,286 pounds compared with 8,730,352 last year.

On the Gulf Coast, shrimp and oysters showed some decline compared with both 1943 and 1942, but crabs made a substantial increase and most fish landings ran to about the same level as in recent years.

In the New England area landings of cod, haddock, rosefish and other species taken on the offshore banks showed good increases at Gloucester and New Bedford, but declined at Boston and Portland. However, landings at all the New England ports are expected to make a better showing later in the year because of the return of a number of boats requisitioned by the Navy and the construction of new vessels.

During the first quarter canning establishments processed about the same quantity of canned fish as last year. The pack of tuna, mackerel, California sardines, Maine sardines, and shrimp totaled 1,392,461 cases as against 1,257,165 in the first three months of 1943. The pack of tuna and Maine sardines was considerably larger, mackerel and California sardines de-

clined slightly, and shrimp fell from 38,076 cases to 4,368.

Freezing of fishery products increased this year over the two preceding years and the stocks on hand in freezing establishments as of April 1 were the largest for several years, it was stated.

Tomato Plant Losses Reduced by Refrigerated Shipment

Losses in the shipment of tomato plants from Georgia to eastern and midwest growers have been greatly reduced through the use of refrigeration, a practice recommended by the Department of Agriculture after experimental trials, it is reported. Now it is possible to ship 450,000 plants in a freight refrigerator car with minimum loss even during hot spells. About 1,200 carloads of plants were shipped from that area last year, many of them under refrigeration, and this year the larger users and handlers of the plants are specifying that the plants must be cooled in transit.

The baggage cars formerly used for express shipments of tomato plants became unavailable because of war demands, and express refrigerator cars moving under ventilation and without ice, were substituted. Then, because not enough of these were available, freight refrigerator cars likewise moving under ventilation, were substituted, but the best results were secured through the use of ice, as recommended by crop and transportation specialists of the Agricultural Research Administration. Express company tariffs permit the use of up to 5,000 pounds of ice at time of loading.

WFA Invites Baby Food Offers

The War Food Administration announces that it will purchase, through the Commodity Credit Corporation, 5,000 cans of baby food, strained custard pudding, each containing 4¾ ounces net, and that offers for the sale of this commodity may now be submitted. Delivery is desired by June 15.

Offers addressed to the Procurement Branch, Office of Distribution, WFA, must be received at Washington 25, D. C., by 4 p. m., Eastern War Time, May 29. Offers submitted pursuant to this announcement will, if accepted, become contracts with the CCC.

Three representative samples of baby food, strained custard pudding, properly identified, should accompany each offer. Such samples should be labeled to show the ingredients contained therein.

Volunteer Cannery Workers to Get Gasoline Rations

Office workers, business men, housewives and others who volunteer for spare-time labor on farms and in food processing plants this summer may receive special gasoline rations to take them to and from the places where their labor is needed, the Office of Price Administration announced in issuing Amendment No. 126 to Ration Order 5C, effective May 24.

Gasoline for this purpose will be made available in areas where shortage of labor has made it necessary for the Government to sponsor an organized plan to supply agricultural and food processing establishments with labor to harvest or process seasonal crops. OPA district directors will designate special boards in these areas to consider applications.

To receive such a ration, applicants must be certified by the county agricultural agent of the Department of Agriculture, or his farm-labor assistant. The certification must state that the work is essential and that the applicant and the persons who are to ride with him are capable of doing the particular job, as well as the amount of mileage required.

The applicant also must arrange to carry at least four persons, including the driver (or as many as his car will hold, if it is less than four), and must show that there is no adequate alternative means of transportation.

Processed Foods Classification

Processors are advised by the Office of Price Administration that fruits, vegetables and juices frozen in their natural state for "later processing" or packaging are classed as processed foods.

This is true even if the foods are frozen in their natural state for only a few days before being used in preserves or other foods, OPA stated.

Those who freeze foods in their natural state should accordingly report them on OPA Form 1305 by which OPA is informed of production and supplies of processed foods. The reports should be made at the time of initial freezing. Reports on these foods should not be made when they are further processed, packaged or consumed.

Some industrial users, processors and distributors have been confused regarding the time reports should be made. For example, OPA received reports recently of strawberries processed in October, November and December. These strawberries should have been reported at the time they were placed in the freezer, which was during the Spring and Summer months, OPA said.

Ceilings Set for Export Cans of Evaporated Milk

Ceiling prices have been established on 13½-ounce and 14-ounce "domestic" cans of evaporated milk to enable manufacturers to price this product in "export" cans of similar sizes, under terms of Amendment No. 3 to Revised Maximum Price Regulation No. 289, made effective by the Office of Price Administration, May 29.

Previously, the OPA had established ceiling prices on a 13-ounce "domestic" can in order to enable manufacturers to price export cans of the same size. However, it was later found that manufacturing equipment already in existence would permit the use of export cans holding a half-ounce or an ounce more evaporated milk than the 13-ounce size.

For sales and deliveries of 48-can cartons by the manufacturer to the buyer's customary receiving point, the new price schedules are as follows:

Zones	13½-oz. cans	14-oz. cans
Zone 1	$3.94	$4.02
Zone 2	4.04	4.12
Zone 3	4.04	4.12

If the 13½-ounce and 14-ounce "domestic" cans of evaporated milk are shipped in cartons of 48 cans by the manufacturer to the buyer's customary receiving point at the following points in Zones 1 and 3, the maximum prices shall be 10 cents per carton more:

Zone 1—Deliveries to all of New Mexico except Clayton, Dawson, Eaton, Artesia, Carlsbad, Roswell and Hobbs; and deliveries to Sheridan, Greybull and Worland in Wyoming.

Zone 3—Deliveries to all of Arizona, except Yuma; deliveries to Needles, El Portal and Alturas in California; deliveries to Montana; and deliveries to Boulder City, Ely, McGill and Las Vegas in Nevada.

Zone 1 is made up of Virginia (except for the city of Alexandria), West Virginia, North Carolina, South Carolina, Georgia, Florida, Alabama, Mississippi, Tennessee, Kentucky, Ohio, Indiana, Illinois, Michigan, Wisconsin, Minnesota, Iowa, Missouri, Arkansas, Louisiana, Texas, Oklahoma, Kansas, Nebraska, South Dakota, North Dakota, Colorado, New Mexico, Wyoming, 23 Pennsylvania counties, and Allegany and Garrett counties in Maryland.

Zone 3 is made up of Arizona, California, Idaho, Montana, Nevada, Oregon, Utah and Washington.

The maximum prices for less than carload lot sales delivered by the manufacturer to the buyer's customary receiving point will be 5 cents more per carton of 48 cans for both the 18½-ounce and 14-ounce sizes.

Wage Rates for Picking Cherries in California Areas

Maximum wage rates for picking cherries have been established by the War Food Administration Director of Labor in two separate California areas.

In Specific Wage Ceiling Regulation No. 7, a maximum hourly rate of $1 per hour and a maximum piece-work rate of 4 cents per pound are established for the Counties of Sonoma, Napa, Alameda, Santa Clara, Santa Cruz, San Benito, Monterey, and the portions of Contra Costa and Solano Counties lying west of the Mt. Diablo meridian.

Specific Wage Ceiling Regulation No. 8 estabishes a maximum hourly rate of 90 cents per hour and a maximum piece-work rate of 4 cents per pound for the Counties of Butte, Yuba, Sutter, Sacramento, San Joaquin and Stanislaus, and the portions of Contra Costa and Solano Counties lying east of the Mt. Diablo meridian. The two regulations are to be administered by the California WFA Wage Board, at 2181 Bancroft Way, Berkeley, Calif.

Additions to Blanket Export

Certain canned foods are included among a list of additional commodities that may be exported to other American republics under the blanket export license procedure, according to current Export Bulletin No. 164, issued by the Foreign Economic Administration.

Following are the canned products now added to this list:

Fruits, canned: Grapefruit, loganberries, other canned berries, apples and apple sauce, grapes, apricots, cherries, prunes and plums, peaches, pears, pineapples, fruits for salad (include fruit cocktail), other canned fruits.

Fruits, dried and evaporated: Raisins and currants, prunes.

Fruit juices: Pineapple, grapefruit, orange, other (include grapejuice, cider, citrus fruit juices, and mixed fruit juices).

WFA Urges Use of Onions

With supplies reaching the nation's major markets in increasing volume from an all-time record Texas crop of early dry spring onions, and with additional quantities being shipped in from California, Georgia and Louisiana, the War Food Administration is calling on housewives, restaurants, hotels, institutions, war plants, and food merchants to use more onions during the period of abundant supply.

Food merchants, eating places, distributors and channels of public information all over the country are being urged to feature onions wherever possible. In food sales promotion and in consumer food services, attention will be focused by WFA on the seasonal abundance of this food crop, with an appeal to buy and eat more onions.

Onions also will be featured on government sponsored radio broadcasts, and by radio food editors and commercial radio programs, it was stated.

Women's page editors, food editors, syndicated features, and other press channels will be utilized WFA said.

Exports Authorized by FEA to French West Indies Possessions

The Foreign Economic Administration has announced that commercial exports through private trade channels are now authorized for most shipments from the United States to Martinique, Guadeloupe, and the French West Indies group, under terms of an understanding reached between the United States and the French Supply Council in the United States, representing the French Committee of National Liberation in Algiers.

Since October of 1943, civilian supplies for the French West Indies have been purchased in the United States almost exclusively through the French Mission procurement system. The major portion of these supplies can now be channeled through commercial exporters. FEA will consider applications for export licenses to ship to these areas when the applications are accompanied by import recommendations issued to island importers by their local authorities.

CONTENTS

Government set-aside percentages for fruits and vegetables for 1944 pack... 8231
OPA requests price reports... 8231
Administrative Council... 8231
Carl Hirzel, Ohio canner, dies... 8232
Death of Henry J. Terens... 8232
Shipping cases for salmon... 8232
Maine sardine pack tripled... 8232
Text of address by Lee Marshall... 8233
Kraut products committee... 8235
Greater wooden box demand... 8235
Ceilings established for California-Arizona citrus... 8236
Frozen fruit and vegetable stocks held in cold storage... 8237
Farm employment is lower... 8237
Frozen foods advisory committee... 8237
Amendment regulates reports on rationed processed foods... 8237
June 1 filing deadline for renegotiation reports... 8237
Pallets exempt from regulations... 8237
Processing green peas... 8238
Asparagus conditions... 8238
Ney made assistant Deputy Administrator for Rationing... 8238
Voluntary adjustment of tinplate quotas requested... 8239
Louisiana-Mississippi officers... 8239
To grant higher labor priority to food processors... 8239
Prohibition of farm wage stabilization expenditures modified... 8239
Refrigeration repair parts... 8239
OPA suspension orders... 8240
Pack statistics on Canadian canned fruits and vegetables... 8240
Mackerel offers invited... 8240
First quarter fish production decreased to 10 million pounds... 8240
Tomato plant losses reduced by refrigerated shipment... 8241
WFA invites baby food offers... 8241
Volunteer cannery workers to get gasoline rations... 8241
Processed foods classification... 8241
Ceilings set for export cans of evaporated milk... 8241
Wage rates for picking cherries in California areas... 8242
Additions to blanket export... 8242
WFA urges use of onions... 8242
Exports authorized by FEA to French West Indies possessions... 8242